



STATE OF DELAWARE  
EXECUTIVE DEPARTMENT  
OFFICE OF MANAGEMENT AND BUDGET

September 1, 2015

TO: ALL STATE AGENCIES, SCHOOL DISTRICTS, MUNICIPALITIES, VOLUNTEER FIRE  
COMPANIES AND POLITICAL SUBDIVISIONS

FROM: MONNICA MAY  
STATE CONTRACT PROCUREMENT OFFICER  
302-857-4553

SUBJECT: **AWARD NOTICE – Addendum #1 Effective September 1, 2015**  
**CONTRACT NO. GSS15469-ROCK\_SALT**  
**Rock Salt**

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KEY CONTRACT INFORMATION

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## **KEY CONTRACT INFORMATION**

### **1. MANDATORY USE CONTRACT**

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**REF: Title 29, Chapter 6911(d) Delaware Code.** Every state department and agency within the Executive Branch and Judicial Branch of the state government shall procure all material, equipment and nonprofessional services through the statewide contracts administered by Government Support Services, Office of Management and Budget. Delaware State University, Delaware Technical and Community College, the operations funded by Public School Districts, Delaware Transit Corporation, the Legislative Branch and the Board of Pension Trustees and their consultants are specifically exempted from the requirements of this subsection.

### **2. CONTRACT PERIOD**

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Each contractor's contract shall be valid for a one (1) year period from September 1, 2015 through August 31, 2016. Each contract may be renewed for three (3) additional one (1) year periods through negotiation between the contractor and Government Support Services. Negotiation may be initiated no later than ninety (90) days prior to the termination of the current agreement.

Addendum #1 corrects pricing submitted for Canal and South Districts for Morton Salt.

### **3. VENDORS**

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<b>Chemical Equipment Labs , Inc.</b> P.O. Box 1136 Linwood, PA 19061  Contact: John P. Morgan Phone: 610-497-9390 Fax: 610-497-9524 Email: <a href="mailto:jpm@chemicalequipmentlabs.com">jpm@chemicalequipmentlabs.com</a> GSS15469-ROCK_SALTV01 FSF ID: 0000226334	<b>Oceanport, LLC</b> 6200 Philadelphia Pike P.O. Box 608 Claymont, DE 19703-0608  Contact: Phone: 800-288-7974 Fax: 302-792-1174 Email: <a href="mailto:bulksalt@aol.com">bulksalt@aol.com</a> GSS15469-ROCK_SALTV02 FSF ID: 0000068094
<b>Morton Salt, Inc.</b> 123 N Wacker Dr. Chicago, IL 60606  Contact: Anthony T. Patton Phone: 312-807-2496 Fax: 312-807-2669 Email: <a href="mailto:apatton@mortonsalt.com">apatton@mortonsalt.com</a>  GSS15469-ROCK_SALTV03 FSF ID: 0000226283	

#### 4. **SHIPPING TERMS**

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F.O.B. destination; freight pre-paid.

#### 5. **DELIVERY AND PICKUP**

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**Delivery Times.** Materials covered by these contracts shall be furnished at such times and in such quantities as the Division of Highways may direct. Delivery will be made only from Monday through Friday, 8:00 a.m. to 2:00 p.m., unless the supplier makes arrangements in advance of anticipated delivery during non-work hours. WATERPROOF COVERING MUST PROTECT ALL SODIUM CHLORIDE IN TRANSIT.

**Timeliness of Delivery.** Materials shall be furnished within three (3) calendar days; after receipt of either verbal, telephone, or mail notification. In the event the vendor does not furnish the needed materials within three (3) calendar days, the Department reserves the right to purchase the needed materials on the open market to meet their needs. Costs of open market purchases in excess of those, which would have resulted from contract purchases, will be back-charged to the vendor.

**Late Delivery Penalty.** In the event delivery is not completed within the specified time, a reduction of 1% of the price per ton for each ton not delivered shall be imposed for each days delay in excess of the three-day period specified above. However, the first penalty day for any and all delinquent orders, or portions thereof, placed on or before October 16 will be November 1. All orders placed subsequent to March 15 will not be subject to late penalties until June 30. Late penalties will be assessed for June 30 and thereafter until all outstanding orders are completed.

When it becomes apparent to the contractor that it cannot meet the delivery schedule, the contractor shall notify the District Engineer or other authorized person. The contractor may seek relief from the penalty by explaining the reasons for not meeting the delivery schedule, as well as actions being taken to correct or improve the shipment. The authorized person shall make the final determination of the request for waiver of penalty by the end of the penalty time period.

**Emergency Service.** During an emergency the vendor shall deliver the material and/or make the material available for pick-up within a 24-hour time period, after notification by the Department. The Department will determine whether the product is to be delivered or picked-up. The appropriate material delivered or pick-up costs shall apply. In the event the vendor does not deliver the product or makes the product available for pick-up within the above specified time frame, the Department reserves the right to purchase the needed material on the open market. Any and all costs associated over and above the material delivered costs or the material pick-up costs shall be back charged to the vendor.

**Department Pick-Up due to delinquent delivery.** The Department may elect to pick up any material not delivered within three (3) calendar days. The Department must notify the contractor of its intent to do so on the nearest working day following the three (3) calendar day period. There will be a price reduction per ton equal to the amount the contractor pays its haulers.

**Department Pick-Up by choice.** The Department reserves the right to pick-up the material, by our trucks, or by our subcontractor trucks. The cost will be for Material only. There will be a price reduction per ton equal to the amount the contractor pays its haulers. A Rate Schedule showing the

price paid per ton per delivery location shall be provided by the contractor and a paid invoice showing the price per ton and the delivery location accompanied by the canceled check for the paid invoice.

**Quantities.** There are no guaranteed quantities. The Department may increase or decrease the quantities purchased as deemed necessary or expedient.

**Districts of Coverage.** There will be four (4) zones (locations) in the State of Delaware under this contract:

Zone 1-North District-NCC  
Zone 2-Canal District-NCC  
Zone 3-Central District-KC  
Zone 4-South District-SC

**Full Shipload Lead Time.** The proposal shall include the lead-time from placement of a purchase order by the Department of Transportation for the full shipload of salt from the salt company to the dockside at the Port of Wilmington.

**Delivery Locations.** Delaware Department of Transportation reserves the right to have the material delivered to the various Division of Highway Operations locations. When required to facilitate maintenance operations, delivery may be required to any highway maintenance yard.

**Delivery Charges.** Prices quoted are that for which the material will be furnished F.O.B. point(s) of delivery.

**Change of Custody.** An authorized Department representative must receive all deliveries and sign a delivery receipt certifying receipt and/or delivery of the material.

**Change of Custody (Wilmington).** The custody of the full shipload of salt from the salt vendor/shipping company will take place at the time the ship is received at the Dockside, Port of Wilmington. At that point, the salt management vendor for the Delaware Department of Transportation will take over the unloading, storing and management of the salt.

**Weight Verification.** All deliveries will be subject to random weight verification by Delaware State Police at the delivery sites. All deliveries found to be above GVW limitations will be subject to appropriate enforcement action by Delaware State Police. Adjustments will be made on any invoices where deliveries are found to be short-loaded.

## 6. **PRICING**

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Prices will remain firm for the term of the contract year.

**F.O.B. Destination.** Price quoted is for which the material will be furnished F.O.B. point(s) of delivery as indicated in these provisions and include all charges that may be imposed during the life of the contract. The unit price bid for delivery shall include all charges for equipment and manpower required to deliver to the designated location (s) within the time period specified.

**Full Ship Load.** An all-inclusive price per ton for a full shipload of salt delivered to the Dockside, Port of Wilmington. For definition purposes, a shipload of salt shall consist of a minimum of 35,000 standard tons. Larger quantities may be requested per shipload as long as the Port of Wilmington can accept and unload a ship of that size. DelDOT will work in conjunction with the vendor of this contract and DelDOT's

Bulk Salt Management vendor at the Port of Wilmington to determine what size ships can be successfully accepted and unloaded at the port dock. Ships that can carry more than 40,000 tons shall have self unloading capability in order to be docked at the Port of Wilmington.

**Material Quality.** The quantity of material to be paid for shall be the number of units of material conforming with all the requirements, furnished in accordance with these provisions.

**Price by Weight.** Weights will only be accepted as showing the actual amount of material delivered if verified by certified and stamped weight slips signed by a certified weigh master

**No minimum or maximum quantities.** There is no minimum or maximum purchase quantity. An increase or decrease in the quantity will not be regarded as sufficient grounds for an increase or decrease in the unit prices.

	Chemical Equipment Labs		Morton Salt		Oceanport	
	Delivered	Picked Up	Delivered	Picked Up	Delivered	Picked Up
North District-NCC	\$60.02	\$54.92	\$73.00	\$70.00	\$61.25	\$60.00
Canal District-NCC	\$60.02	\$54.92	\$75.25	\$70.00	\$63.20	\$60.00
Central District-KC	\$64.92	\$54.92	\$82.49	\$70.00	\$65.20	\$60.00
South District-SC	\$70.42	\$54.92	\$92.63	\$70.00	\$67.25	\$60.00

#### Deliveries to other Del DOT locations

Chemical Equipment Labs		Morton Salt		Oceanport	
Delivered	Picked Up	Delivered	Picked Up	Delivered	Picked Up
\$60.02	\$54.92	\$76.00	No Bid	\$61.25	\$60.00
\$64.92	\$54.92	\$83.24	No Bid	\$65.20	\$60.00
\$70.42	\$54.92	\$93.38	No Bid	\$67.25	\$60.00

## 7. PRODUCT SPECIFICATIONS

**General.** The sodium chloride (rock salt or solar evaporated salt) must conform to the requirements of AASHTO C143 (ASTM D632) Type I, Grade 1. The requirements of M-143 are the standard, with additional requirements as detailed. In the event that this material fails to meet the minimum specification, the authorized representative reserves the right to require the contractor to take whatever corrective action is deemed necessary to bring the material up to specification, or require the contractor to remove and replace that material which fails to meet specifications within three (3) calendar days of being notified, at the contractors expense.

**Anti-Caking Agent.** The sodium chloride must be treated with an anti-caking agent in sufficient quantity to prevent caking during storage. Treatment must be at the source of supply and uniformly distributed. The approved anti-caking agent is sodium Ferro cyanide, Na<sub>4</sub>Fe (CN)<sub>6</sub>. 10H<sub>2</sub>O; other anti-caking agents will require prior approval and certification.

**Moisture Content.** Maximum moisture content is 3.0% by weight. Sampling is per M-143, 8.1 at point of delivery. Price will be adjusted for excess moisture. Price reductions for excessive moisture shall be applied as follows: When the moisture content of the material as reported by the authorized representative is 3% or less, no price reduction will be imposed. When the moisture content exceeds 3%, the payment will be reduced on a one-for-one basis for each percentage point above 3%. That is, when the moisture is 4% the price reduction will be 1%. When the moisture is 5%, the price reduction will be 2%, etc. Moisture test results will be reported to the nearest full percentage point.

**Flowability.** The sodium chloride must be free flowing and usable at time of delivery. Material that does not meet this requirement will be either returned or accepted at a reduced price mutually agreed upon by both the contractor and the District/Expressways Engineer.

**Quality and Service.** Upon award of this contract, the contractor shall promptly notify the Department of the proposed sources of materials and make any other related submissions. This information shall be sent to:

**Materials and Research Section  
Delaware Department of Transportation  
P. O. Box 778  
Dover, Delaware 19903**

**Acceptance.** No material shall be accepted without prior approval of the source. The Engineer shall reject a source or a plant if the source or plant has or develops unsatisfactory performance, which is not properly corrected. The Engineer shall be provided the opportunity to inspect the source or plant prior to and during the supply or production of material.

All material shall be inspected, sampled, and tested; and/or shall have a certified analysis furnished by the manufacturer; and approved by the Materials and Research Section prior to acceptance. Any material supplied prior to approval or written permission of the Engineer shall be supplied at the contractor's risk and may be considered defective or unauthorized and will not be paid for. Final acceptance of the materials will be made at the latest practicable time the Engineer has the opportunity to check compliance. Tests will be made by and at the expense of the Department unless otherwise noted in the contract.

**Handling.** All materials shall be handled carefully and in such manner as to preserve their quality and fitness. If the contractor is required to deliver, the material shall be delivered in trucks having a waterproof cover over the material, to the location designated and unloaded. Transportation shall be by tight vehicles as to prevent loss or segregation of materials after loading and measuring. Material damaged by mishandling in delivery will not be accepted.

**Material Testing.** All material shall be subject to testing by the Engineer at the delivery site. The results of such tests shall be final and binding upon all parties concerned in this contract and subject to the conditions contained herein. The costs of removal and replacement of any defective material shall be borne by the contractor.

**Quality Control During Transport.** Transportation and/or delivery must be made by trucks that have undergone a thorough cleaning of the truck bed for the purpose of assuring that the sodium chloride is not contaminated by foreign material such as concrete, aggregates, soil, etc. In the event the authorized representative, at the delivery point, determines that a load of sodium chloride is contaminated, the shipment will be rejected.

## **ADDITIONAL TERMS AND CONDITIONS**

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### **8. BILLING**

The successful vendor is required to **"Bill as Shipped" to the respective ordering agency(s).** Ordering agencies shall provide at a minimum the contract number, ship to and bill to address, contract name and phone number.

### **9. PAYMENT**

The agencies or school districts involved will authorize and process for payment each invoice within thirty (30) days after the date of receipt. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

### **10. PRODUCT SUBSTITUTION**

All items delivered during the life of the contract shall be of the same type and manufacture as specified unless specific approval is given by Government Support Services to do otherwise. Substitutions may require the submission of written specifications and product evaluation prior to any approvals being granted.

### **11. ORDERING PROCEDURE**

Successful contractors are required to have either a local telephone number within the (302) area code, a toll free (800) number, or agree to accept collect calls. Each agency is responsible for placing their orders and may be accomplished by written purchase order, telephone, fax or computer on-line systems. The contractor or vendor must accept full payment by procurement (credit) card and/or conventional check and/or other electronic means at the State's option, without imposing any additional fees, costs or conditions.

### **12. HOLD HARMLESS**

The contractor agrees that it shall indemnify and hold the State of Delaware and all its agencies harmless from and against any and all claims for injury, loss of life, or damage to or loss of use of property caused or alleged to be caused, by acts or omissions of the contractor, its employees, and invitees on or about the premises and which arise out of the contractor's performance, or failure to perform as specified in the Agreement.

### **13. NON-PERFORMANCE**

In the event the contractor does not fulfill its obligations under the terms and conditions of this contract, the ordering agency may purchase equivalent product on the open market. Any difference in cost between the contract prices herein and the price of open market product shall be the responsibility of the contractor. Under no circumstances shall monies be due the contractor in the event open market products can be obtained below contract cost. Any monies charged to the contractor may be deducted from an open invoice.

### **14. FORCE MAJEURE**

Neither the contractor nor the ordering agency shall be held liable for non-performance under the terms and conditions of this contract due, but not limited to, government restriction, strike, flood, fire, or unforeseen catastrophe beyond either party's control. Each party shall notify the other in writing of any situation that may prevent performance under the terms and conditions of this contract.

## **15. AGENCY'S RESPONSIBILITIES**

The Agency shall:

- a. Examine and review in detail all letters, reports, drawings and other documents presented by the Contractor to the Agency and render to the Contractor in writing, findings and decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.
- b. Give prompt written notice to the Contractor whenever the Agency observes or otherwise becomes aware of any development that affects the scope or timing of the Contractor's services.
- c. When an ordering agency first experiences a relatively minor problem or difficulty with a vendor, the agency will contact the vendor directly and attempt to informally resolve the problem. This includes failure to perform by the date specified and any unacceptable difference(s) between the purchase order and the merchandise received. Ordering agencies should stress to vendors that they should expedite correction of the differences because failure to reply may result in an unfavorable rating in the execution of the awarded contract.
- d. The state has several remedies available to resolve non-performance issues with the contractor. The Agency should refer to the Contract Terms and Conditions to view these remedies. When a default occurs, the Agency should first review the contract to confirm that the issue is a part of the contract. If the issue is not covered by the contract, the state cannot expect the contractor to perform outside the agreement. If the issue is a part of the contract, the Agency or GSS - Contracting must then contact the contractor, discuss the reasons surrounding the default and establish a date when the contractor will resolve the non-performance issue.
- e. If there is a performance deficiency, a Corrective Action Report (CAR) may be used. Complete this form to report concerns with vendors or commodities. Be sure to furnish as much detail as possible. <http://gss.omb.delaware.gov/divisionwide/forms.shtml>.